

**MINUTES**  
**REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY**  
**Tuesday, March 10, 2015**  
**City Hall, Room 604**  
**1:30 p.m.**

**MEMBERS PRESENT:** Harry Maier, Chair; Gary Delveaux, Vice-Chair; Ald. Joe Moore, Matt Schueller, Tom Weber

**MEMBERS EXCUSED:** Jim Blumreich, Melanie Parma

**LIAISON REPRESENTATIVES PRESENT:** Tara Gokey

**OTHERS PRESENT:** Kim Flom, Jim Mueller, Mayor Jim Schmitt, Cheryl Renier-Wigg, Krista Baeten, Billie Jo Horsens, Kevin Vonck, Wendy Townsend, Cheryl Williams, Michelle Heeler, Cora Haltaufderheid, Ald. David Nennig, Jim Shaheen, Jim Dietsche, Chris Woleske, Sharla Baenen, Ald. Tom DeWane, media, and others

**APPROVAL OF AGENDA:**

Approval of the agenda for the March 10, 2015, meeting of the Redevelopment Authority.

A motion was made by G. Delveaux and seconded by M. Schueller to approve the agenda for the March 10, 2015, meeting of the Redevelopment Authority. Motion carried.

**APPROVAL OF MINUTES:**

Approval of the minutes from the February 10, 2015, regular meeting of the Redevelopment Authority.

A motion was made by T. Weber and seconded by M. Schueller to approve the minutes from the February 10, 2015, regular meeting of the Redevelopment Authority. Motion carried.

**COMMUNICATIONS:**

None.

**OLD BUSINESS:**

1. Review of the First Amendment to the Development Agreement for Hotel Northland.

K. Flom indicated that some minor updates were made to the development agreement, including changes regarding parking.

J. Mueller provided an overview of the changes. Regarding parking, the developer is requesting that the agreement be amended to include fixed parking rates that extend for 15 years instead of 3 years. The amended agreement includes an escalator with an increase in the rate upon commencement of year 6 and year 11.

H. Maier questioned the amendment stating that the developer may sell the RDA property to any individual or entity which purchases the hotel property.

J. Mueller clarified that the property could only transfer if they transfer the whole hotel property. The original language was put in prior to conveying that parcel to the developer. The parcel is now part of the whole hotel construction.

Ald. J. Moore had a question pertaining to the 15 years of parking and questioned the life of the ramp. He recommended adding language pertaining to the expected life of the ramp.

A motion was made by T. Weber and seconded by Ald. J. Moore to recommend, to the City Council, approval of the First Amendment to the Development Agreement for Hotel Northland. Motion carried.

2. Request for an additional \$2,208.50 for the purchase of 417 Fifth Street.

C. Renier-Wigg explained that following the approval of the purchase of this property at the February meeting, Brown County indicated that there should have been \$2,208.50 added to the price, which covered the holding costs to the County. If we want this property, the additional costs will need to be paid. The total acquisition cost would be \$10,575.00.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to approve the additional allocation of \$2,208.50 for the purchase of 417 Fifth Street. Motion carried.

### **NEW BUSINESS:**

3. Approval of sale of Baylake Property, Parcel 12-86-1, to the Baylake City Center condominium association.

K. Flom explained that the parcel is a tiny flag lot at the southeast corner of Washington and Northland Avenue and was created as part of a subdivision that occurred after the mall was demolished. Further subdivision occurred to accommodate Northland Avenue. The City is working with Smet Construction to improve the façade on the backside of the Baylake building, which was part of the Schreiber agreement. This outlot is attached to the building for the right of way and Baylake would have use for this parcel. The most efficient way to transfer the property is a sale for the nominal amount of \$10.00. It is more of a cleanup issue as related to property lines and ownership.

A motion was made by Ald. J. Moore and seconded by T. Weber to approve the sale of Parcel 12-86-1 to the Baylake City Center condominium association for \$10. Motion carried.

4. Review of Development Agreement for the Strategic Behavioral Health project.

K. Vonck was present to provide an overview of the project. Strategic Behavioral Health (SBH) specializes in mental health and substance abuse care. A conceptual drawing showing another one of their facilities was presented. The proposed facility for Green Bay would be a 52,250 square-foot hospital with 72 beds providing inpatient and outpatient care through acute residential services. Construction would start this summer and require both city and state permits. They would go through the state for hospital licensing. They plan to open the facility in the summer of 2016. The City's role includes selling 10.3 acres of land between Ontario Road and Einstein Way in the I-43 business park for \$494,400. SBH has requested tax increment financing (TIF) from the City. The TIF will be a five-year annual pay-go disbursement that will be paid to SBH only after real property value has been created. Payment is capped at \$200,000 per year and \$1,000,000 total. Staff's recommendation is that the EDA recommend City Council approval of the Purchase and Sale agreement and that the RDA recommend City Council approval of the Development Agreement. The land use is compatible and complimentary with other uses in that area. They will be investing over \$10,000,000 into the facility, which will be a taxable entity. The TIF makes up less than 10% of overall project costs; however, it fills an important gap during early stages of the project. There is a clause in the development agreement that should SBH not complete the project or it turns over to a non-profit entity, they will have to repay some of the assistance. Staff feels it is a good project and a great benefit to our healthcare system.

Mayor Schmitt stated that there have been discussions with SBH for over a year and there is a confirmed need for this facility in our community. He strongly supports the project.

G. Delveaux questioned how much land would be available in I-43 after this sale of 10.3 acres. K. Vonck stated this is the last parcel in the core area, but there is still land available towards the east.

K. Flom stated that the site for SBH has some wetlands so they are happy to have a user that's building and plan can work within the wetlands.

Discussion followed regarding the investment to TIF assistance ratio and the importance of being a pay-go TIF was expressed. The developer is responsible for generating the increment before being paid back to them.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to open the meeting for public discussion. Motion carried.

Jim Shaheen, President SBH-Green, LLC, provided an overview of the company and the needs analysis they performed. They found Green Bay as part of a national search as a community in need of this type of facility. The facility will employ approximately 200 people at full capacity. The reason for the TIF assistance request is that the building will cost about \$10 million, but there will be an additional \$3 million in costs with the time it takes to recruit and train staff for this specialized care. That process takes a while. It was noted that they plan to work with Bellin and the existing health systems in the community. It is their experience that the need for their services will increase once they are in the community due to the awareness that they build in the community. This facility is regional and anticipates drawing patients from 100 miles away. Their plan involves a future medical office building to expand the number of patients they can accommodate for partial hospitalization and outpatient care, where patients come during the day but sleep at home at night.

Chris Woleske, Bellin Health, was present to speak and expressed issue with some of the information that's been provided. She stated that Brown County Treatment Center has 15 inpatient beds and does treat the same population as described by SBH. In addition there are about 50 beds in the Fox Valley between Theda Care and St. Elizabeth. She pointed out that Bellin has not been contacted by SBH and has not had any conversations with them regarding collaboration, community information, patients they serve, challenges, successes, etc. Bellin reached out to SBH to have those discussions and the meeting was scheduled and subsequently cancelled by SBH until a couple weeks from now. She stated that their challenges are not with the number of beds available. At any given time, they have 40 beds available in their facility. The challenges relate to the staff and professional providers to care for the patients as a result of the nation-wide shortage for psychiatrists. They work very hard to recruit and keep the psychiatrists. The community has a significant mental health need and their patients come from farther than 100 miles away. They are serving the same populations as described by SBH. The average occupancy rate among all providers that provide inpatient mental health services is about 25%. There is significant available capacity within the existing providers. Bellin is licensed for 80 beds and currently have 60 beds available. They could add an additional 20 beds without requiring additional licensure. Bellin is disappointed with both SBH and the City that they were not asked to participate in any conversations or discussions.

Further comments were provided by J. Shaheen and T. Weber in response to the comments by C. Woleske. C. Woleske noted that she spoke with principals from Prevea, St. Mary's, and St. Vincent's and they gave their permission to state that they support Bellin's position that there is not a need for this facility in the community.

Ald. Tom DeWane expressed his disappointment that discussions have been occurring on this project for a year and he was not made aware of it considering it is in his district and his involvement on the County Board. Resources in Brown County were cut back because the need wasn't there. He isn't sure a facility like this is needed at this time. He supports competition, but questions if this is the best option for the Industrial Park. He would like to hold this request for a month to allow all parties to get together and hear from the professionals in the community. A discussion ensued between Ald. J. Moore and Ald. Tom DeWane.

T. Weber noted that when dealing with development, particularly commercial development, confidentiality is required. It is not the Authority's job to determine the need for a project. That is up to the developer. The marketplace will determine success or failure. The developer is taking the risk.

J. Shaheen provided a list of the groups they have met with over the past 18 months, which included Brown County Human Services, Green Bay Police Dept., Brown Co. Sheriff's Dept., Brown County Juvenile Court, Brown County Probate Court, Crisis Center of Family Services, Green Bay Area Public Schools, Medical College of Wisconsin-Dept. of Psychiatry, UW Green Bay, Aurora Baycare, Skilled Nursing Facilities, Private Practice Commissions, Oneida Behavioral Health, National Alliance for Mentally Ill local chapter, and Jackie Nitschke Center. SBH doesn't take the investment lightly and has great success as a company.

A motion was made by Ald. J. Moore and seconded by G. Delveaux to return to regular order of business. Motion carried.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to recommend, to the City Council, approval of the Development Agreement with SBH-Green Bay, LLC for the Strategic Behavioral Health project subject to legal and technical changes. Motion carried.

##### 5. Review and approval of Bellin Hospital Revenue Bonds – Escrow Agreement.

K. Flom indicated that Bellin is refinancing some of the bonds that the RDA issued in 2008. There is an escrow agreement that must be acknowledged by the RDA. They hope to complete the refinancing by the first week of April. Due to the refinancing timeline and the request by Bellin to have this on today's agenda, prior to Bond Counsel review, the recommendation for approval includes a condition requiring Bond Counsel review and approval. Bellin has agreed to pay Bond Counsel fees.

A motion was made by T. Weber and seconded by Ald. J. Moore to open the meeting for public discussion. Motion carried.

Jim Dietsche, Bellin Hospital, indicated that the request for the fast track on the refinancing is due to low interest rates. They plan to go to market next week and need to have the agreement executed.

A motion was made by G. Delveaux and seconded by M. Schueller to return to regular order of business. Motion carried.

A motion was made by T. Weber and seconded by M. Schueller to approve the escrow agreement for the refinancing of the 2008 Bellin Hospital Bonds, subject to the following conditions: 1) Bond Counsel review and approval, 2) Executed Escrow Agreement distributed to RDA as informational, and 3) Any substantive changes requested by Bond Counsel will be brought back before the RDA. Motion carried.

6. Request by Habitat for Humanity for use of \$75,000 of HOME funds for the construction of three (3) new houses.

C. Renier-Wigg stated that Habitat has been a partner with the City on many projects. Due to the economy and less volunteer base, Habitat has changed their design concept to primarily one-story homes. On the City's infill lots, the design requirements are for one-and-one-half-story or two-story homes. Staff has been working with Habitat on some designs that would better fit in the downtown neighborhoods. With the addition of some HOME funds for these projects, they would be able to do two-story homes. The additional cost for the second story construction is approximately \$25,000 per house. Habitat would like to build three new houses. There are lots available with two on Jackson Street and one on Oakland Avenue. There are available HOME funds and the projects would get underway in spring of 2016.

A motion was made by G. Delveaux and seconded by M. Schueller to approve the request by Habitat for Humanity for use of \$75,000 of HOME funds for the construction of three (3) new houses. Motion carried.

7. Request to use \$25,000 of CDBG funds to continue the Community Garden Project in Green Bay neighborhoods.

C. Renier-Wigg stated that staff was approached by a Brown County Extension staff person, the current VISTA and a volunteer who have been currently operating the Community Garden Project (CGP). Funding is running out with their VISTA at the end of this year, so unless additional funds are secured, they will not be able to continue the CGP.

Staff looked at the gardens that would qualify for funding under our CDBG eligible areas and there are five gardens. There is funding available, but just for this year, to pay for the salary for the person to continue to operate the gardens. The budget allocation is approximately \$25,000 for one year's time. The other costs involved with the gardens are actually supported by revenue generated. This will not cover 100% of the garden project. Staff hopes the County will come up with a portion of the funding and allocate permanent funding in their budget to cover this position through the Extension Office. It was noted that CDBG funding was provided in the past for garden improvements for the Olde North Community Garden, but staff was not funded.

Mayor Schmitt noted that this is a good program and he would like to meet with the County Executive to discuss how important the funding is for this program. He and C. Renier-Wigg are committed to working with the County Board Supervisors to get funding support for next year.

It was noted that the revenue generated for the program is through the people who use the gardens.

A motion was made by Ald. J. Moore and seconded by M. Schueller to allocate \$25,000 of CDBG funds to keep the Community Garden Project operating in Green Bay LMI neighborhoods for 2015. Motion carried.

8. Review and approval of the draft 2015-2019 Five Year Consolidated Plan for Community Development and HOME Investment Partnership Grants.

K. Baeten stated that every five years, HUD requires the creation of a Consolidated Plan to assist the City in determining community needs and priorities for affordable housing and community development.

Efforts to reach out to the community included a public meeting to receive input and staff created a Consolidated Strategy and Plan survey that was distributed on Facebook, at a Green

Bay Neighborhood Leadership Council meeting, and on a community distribution list from Downtown Green Bay Inc. Over 160 responses were received. Staff also received written comments from local organizations and agencies throughout the community.

Staff has put together the following goals to guide the next five years of funding:

- Maintain/Support/Enhance Housing Related Projects
- Support Public Service Activities
- Support Economic Development Activities (includes Section 108 loan guarantee)
- Create Physical Improvements
- Affirmatively Further Fair Housing

In reviewing the results of the public input, new areas of need that were mentioned included transportation and disseminated site improvements.

If approved by the RDA, the plan will be submitted to the City Council for approval, followed by a 30-day comment period and submittal to HUD.

Discussion followed on the Community Connections E-mail Group, which was used as additional outreach. This email group is through the Brown County United Way and goes out twice per week to different organizations throughout the community.

A motion was made by G. Delveaux and seconded by T. Weber to approve the draft 2015-2019 Five Year Consolidated Plan for Community Development and HOME Investment Partnership Grants. Motion carried.

9. Review and approval of the draft 2015 Annual Action Plan for Community Development and HOME Investment Partnership Grants.

K. Baeten stated that the Annual Action Plan goes into further detail and expresses the projects that the City will fund with the Community Development Block Grant (CDBG) and HOME funds. A staff recommendation was prepared following the same format as in the past and an overview was provided (copy attached). Regarding the CDBG allocations, there is additional funding available for Public Service Programs due to a staff vacancy and staff would like to do an RFP for local organizations based on need (\$10,000 minimum allocation). The RFPs would go to the Funding Administration Subcommittee prior to the RDA. Another area of change is moving away from target/impact areas and opening the funding to all CDBG eligible areas.

Regarding the HOME allocations, there is a change to move away from the Downpayment Closing Cost Assistance and instead put the funding into the Housing Development Advancement projects. Several inquiries have been received for funding in the housing development area. Discussion followed regarding this change in use of funding. C. Renier-Wigg stated that it would help in providing affordable housing units in a project that might not have any.

Ald. J. Moore provided information on the list of park projects that use this funding and requested an amendment to raise the funding for Park Projects from \$150,000 to \$200,000 to cover the full cost of the Fireman's Park playground equipment and reduce the amount in Open Public Service Activities from \$70,000 to \$20,000 and offer two \$10,000 grants.

A motion was made by Ald. J. Moore and seconded by T. Weber to approve the draft 2015 Annual Action Plan for Community Development and HOME Investment Partnership Grants as amended, increasing the Park Projects funding to \$200,000 and reducing the Open Public Service Activities to \$20,000. Motion carried.

10. Request to purchase 1418 Lawe Street using CDBG funds.

A motion was made by Ald. J. Moore and seconded by T. Weber to convene in closed session. The closed session notice was read from the agenda. A roll call vote was taken – H. Maier, G. Delveaux, Ald. J. Moore, M. Schueller, T. Weber. Motion carried unanimously.

A motion was made by T. Weber and seconded by Ald. J. Moore to return to regular order of business. A roll call vote was taken – H. Maier, G. Delveaux, Ald. J. Moore, M. Schueller, Tom Weber. Motion carried unanimously.

It was reported that in closed session the Authority discussed the purchase of 1418 Lawe Street using CDBG funds and staff was advised to proceed with the negotiations.

A motion was made by G. Delveaux and seconded by Ald. J. Moore to direct staff to proceed with negotiations for the purchase of 1418 Lawe Street using CDBG funds. Motion carried.

**BILLS:**

11. Acceptance of financial report and check register as provided.

A motion was made by Ald. J. Moore and seconded by G. Delveaux to approve the financial report and check register as provided. Motion carried.

**INFORMATIONAL:**

12. Director's Report and Project Updates.

K. Flom provided the following updates:

- Work continues on the lease for the Greenfield site.
- A media tour of the KI Convention Center expansion is tentatively planned for Thursday, March 26. More information is to come.
- A special meeting of the RDA is planned for Wednesday, April 8 at 1:30 p.m.
- We have been informally told that HUD has approved the Section 108 loan.
- Building plans have not yet been received for The Metreau.

Chair ruled for adjournment at 3:10 p.m.